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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ALASKA

UNITED STATES OF AMERICA,

Plaintiff,

v.

FOREST OIL CORPORATION,

Defendant.

No.

COMPLAINT
(33 U.S.C. § 1319)

The United States of America, by authority of the Attorney General of the United States and through the undersigned attorneys, acting at the request of the Administrator of the United States Environmental Protection Agency (“EPA”), files this Complaint and alleges as follows:

NATURE OF ACTION

1. This is a civil action brought under Section 309 of the Clean Water Act (the “Act”), 33 U.S.C. § 1319, against Forest Oil Corporation (“Forest Oil” or “Defendant”) for civil

penalties. The claims against Forest Oil arise from the failure to comply with certain terms and conditions set forth in the National Pollutant Discharge Elimination System (“NPDES”) permits issued to Forest Oil by EPA, pursuant to Section 402 of the Act, 33 U.S.C. § 1342, for discharges from the Osprey Platform into Cook Inlet. Failure to comply with the terms and conditions set forth in a NPDES permit constitute violations of Section 301 of the Act, 33 U.S.C. § 1311.

PARTIES

2. Plaintiff is the United States of America. Authority to bring this action is vested in the Attorney General by Section 506 of the Act, 33 U.S.C. § 1366, and by 28 U.S.C. §§ 516 and 519.

3. Defendant is a New York corporation that owns and operates an offshore crude oil and natural gas production platform in central Cook Inlet approximately 1.8 miles southeast of the end of the West Forelands in Alaska. This platform is known as the Osprey Platform.

JURISDICTION AND VENUE

4. This Court has jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1345 because this is a civil action commenced by the United States that arises under the laws of the United States and pursuant to 28 U.S.C. § 1355 because this is an action in part for the recovery of a penalty incurred under an act of Congress.

5. Venue is proper in this district pursuant to 28 U.S.C. § 1391(b) and 33 U.S.C. § 1319(b) because the events or omissions giving rise to the claims herein, or a substantial part of them, occurred in this district. Venue is also proper in this district pursuant to 28 U.S.C. § 1395(a).

6. Notice of the commencement of this action has been given to the State of Alaska pursuant to Section 309(b) of the Act, 33 U.S.C. § 1319(b).

STATUTORY AND REGULATORY BACKGROUND

7. Section 301(a) of the Act, 33 U.S.C. § 1311(a), prohibits the “discharge of any pollutant by any person” except as authorized by a NPDES permit issued pursuant to Section 402 of the Act, 33 U.S.C. § 1342.

8. Section 502(12) of the Act, 33 U.S.C. § 1362(12), defines “discharge of a pollutant” to include “any addition of any pollutant to navigable waters from any point source” and “any addition of any pollutant to the waters of the contiguous zone or the ocean from any point source other than a vessel or other floating craft.”

9. Section 502(6) of the Act, 33 U.S.C. § 1362(6), defines “pollutant” to include, *inter alia*, solid waste, biological materials, sewage, and industrial waste discharged into water.

10. Section 502(7) of the Act, 33 U.S.C. § 1362(7), defines “navigable waters” to mean “the waters of the United States, including the territorial seas.”

11. Section 502(14) of the Act, 33 U.S.C. § 1362(14), defines the term “point source” to include “any discernible, confined and discrete conveyance, including but not limited to any pipe...conduit...[or] container...from which pollutants are or may be discharged.”

12. Section 502(5) of the Act, 33 U.S.C. § 1362(5), defines “person” to include corporations.

13. Pursuant to Section 402(a) of the Act, 33 U.S.C. § 1362(a), the Administrator of EPA may issue NPDES permits that authorize the discharge of pollutants into waters of the United States, subject to the conditions and limitations set forth in such permits.

14. Section 309(b) of the Act, 33 U.S.C. § 1319(b), authorizes the Administrator of EPA to commence a civil action for appropriate relief, including a permanent or temporary injunction, against any person who violates Section 301 of the Act, 33 U.S.C. § 1311.

CLAIMS FOR RELIEF

GENERAL ALLEGATIONS

15. Forest Oil is a “person” as defined in Section 502(5) of the Act, 33 U.S.C. § 1362(5).

16. Forest Oil owns and operates the Osprey Platform. The Osprey Platform is located approximately 1.8 miles southeast of the end of West Forelands in central Cook Inlet in Alaska, at latitude N 60° 41' 46" and longitude W 151° 40' 10".

17. Between January 2001 and July 2002, Forest Oil was authorized to discharge

pollutants from the Osprey Platform pursuant to the NPDES General Permit for Oil and Gas Exploration, Development and Production Facilities in Cook Inlet, NPDES Permit No. AKG285000 (the “General Permit”). Pursuant to the General Permit, a NPDES permit number was assigned to the Osprey Platform. *See* General Permit at Part I.A.C. Forest Oil was authorized to discharge pollutants from the Osprey Platform under NPDES Permit No. AKG285024.

18. Since July 2002, when production activities commenced, Forest Oil has been authorized to discharge pollutants from the Osprey Platform pursuant to an individual NPDES permit, AK0053309 (the “Individual Permit”). The Individual Permit became effective on July 1, 2002 and will expire on June 30, 2007.

19. Under the General Permit and the Individual Permit, the Osprey Platform, which was under Forest Oil’s control at all times relevant to this action, discharged pollutants from its sanitary and domestic wastewater outfalls. Each outfall is a “point source” within the meaning of Section 502(14) of the Act, 33 U.S.C. § 1362(14).

20. The Osprey Platform discharges pollutants into Cook Inlet. Cook Inlet is a “navigable water” within the meaning of Section 502(7) of the Act, 33 U.S.C. § 1562(7), and a “water of the United States” within the meaning of 40 C.F.R. § 122.2.

FIRST CLAIM FOR RELIEF - VIOLATIONS OF GENERAL PERMIT CONDITIONS

21. The allegations set forth in Paragraphs 1 through 20, above, are realleged and incorporated herein by reference.

22. Section III.B.1 of the General Permit requires Defendant to conduct daily monitoring of the drilling mud and drill cuttings discharge for free oil content and report the number of days sheen was observed. Defendant failed to report the results of this monitoring for the month of April 2002.

23. Sections III.B.1 and III.B.2 of the General Permit require Defendant to measure metals once per use of each new mud system for the drilling mud and drill cuttings discharge and report the findings in the monthly Discharge Monitoring Report. Defendant failed to report the

results of this monitoring for the month of April 2002.

24. Sections III.B.1 and III.B.2 of the General Permit require Defendant to measure the mercury and cadmium content of barite once prior to drilling each well for the drilling mud and drill cuttings discharge and to submit the findings in the Discharge Monitoring Report upon well completion. Defendant failed to report the results of this monitoring for the month of April 2002.

25. Section III.C.1 of the General Permit requires Defendant to conduct monitoring of the deck drainage discharge for whole effluent toxicity once during the first year of coverage under the General Permit and to report the findings in the Discharge Monitoring Report. Defendant failed to comply with this requirement in 2001, the first year of coverage under the General Permit.

26. Section III.D.1 of the General Permit contains a monthly average effluent limit for the biochemical oxygen demand (“BOD”) content in sanitary waste and domestic waste discharges from the Osprey Platform of 30 milligrams per liter (“mg/l”). The sanitary waste and domestic waste discharges from the Osprey Platform exceeded the BOD monthly average effluent limit for the months of January, February, March, April, May, June, July, August, September, October, November, and December of 2001; and January, February, March, April, May, and June of 2002.

27. Section III.D.1 of the General Permit contains a daily maximum effluent limit for BOD content in sanitary waste and domestic waste discharges from the Osprey Platform of 60 mg/l. The sanitary waste and domestic waste discharges from the Osprey Platform exceeded the BOD daily maximum effluent limit on January 11 and 25 of 2001; February 1, 14, 22, and 28 of 2001; March 7 and 14 of 2001; April 25, 2001; May 2, 9, 16, and 30 of 2001; June 6, 13 and 22 of 2001; July 11, 18 and 25 of 2001; August 2, 8, 15, and 22 of 2001; September 5, 21, and 27 of 2001; October 3, 10, 17, and 24 of 2001; November 14, 21, and 28 of 2001; December 5, 12, and 19 of 2001; January 2, 9, 23, and 31 of 2002; February 6, 13, and 27 of 2002; March 6, 13, 20, and 27 of 2002; April 3 and 18 of 2002; May 9, 15, and 29 of 2002; and June 28, 2002.

28. Section III.D.1 of the General Permit contains a monthly average effluent limit for total suspended solids (“TSS”) content in sanitary waste and domestic waste discharges from the Osprey Platform of 51 mg/l. The sanitary waste and domestic waste discharges from the Osprey Platform exceeded the TSS monthly average effluent limit for the months of January, February, March, April, May, June, July, August, September, October, November, and December of 2001; and January, February, March, May, and June of 2002.

29. Section III.D.1 of the General Permit contains a daily maximum effluent limit for TSS content in sanitary waste and domestic waste discharges from the Osprey Platform of 67 mg/l. The sanitary waste and domestic waste discharges from the Osprey Platform exceeded the TSS daily maximum effluent limit on January 11 and 25 of 2001; February 1, 14, 22, and 28 of 2001; March 7, 14, and 21 of 2001; April 25, 2001; May 2, 9, 16, and 30 of 2001; June 6, 13, 22, and 27 of 2001; July 11, 18, and 25 of 2001; August 2, 8, 15, and 22 of 2001; September 5, 21, and 27 of 2001; October 3, 10, 17, and 24 of 2001; November 14, 21, and 28 of 2001; December 5, 12, and 19 of 2001; January 2, 9, 23, and 31 of 2002; February 6, 13, and 27 of 2002; March 13, 20, and 27 of 2002, May 9 and 29 of 2002; and June 28, 2002.

30. Section III.D.1 of the General Permit contains a monthly average effluent limit for total residual chlorine (“TRC”) in sanitary waste and domestic waste discharges from the Osprey Platform of 9 mg/l. The sanitary waste and domestic waste discharges from the Osprey Platform exceeded the TRC monthly average effluent limit for the months of March 2001 and February 2002.

31. Section III.D.1 of the General Permit contains a daily maximum effluent limit for TRC content in sanitary waste and domestic waste discharges from the Osprey Platform of as close as possible, but no less than, 1 mg/l and not to exceed 19 mg/l. The sanitary waste and domestic waste discharges from the Osprey Platform exceeded the TRC daily maximum effluent limit on January 11 and 25 of 2001; March 7 and 21 of 2001; May 2 and 30 of 2001; June 6, 2001; July 11 and 18 of 2001; August 2, 8, 15, and 22 of 2001; September 21 and 27 of 2001; October 3, 17, and 24 of 2001; November 14 and 21 of 2001; December 5, 12, and 19 of 2001;

January 2, 23, and 31 of 2002; February 6, 13, and 27 of 2002; March 13, 20, and 27 of 2002; April 3 and 18 of 2002; May 9, 15, 23, and 29 of 2002; and June 5, 12, 19, and 28 of 2002.

32. Each of the violations identified in Paragraphs 22 through 31, above, constitute a failure by Defendant to comply with the terms and conditions of the General Permit, in violation of Section 301 of the Act, 33 U.S.C. § 1311. Pursuant to Section 309(d) of the Act, 33 U.S.C. § 1319(d), the Federal Civil Penalties Inflation Adjustment Act, as amended, 28 U.S.C.A. § 2461 note, and 40 C.F.R. Part 19, Defendant is liable for a civil penalty not to exceed \$27,500 for each violation of the General Permit.

SECOND CLAIM FOR RELIEF - VIOLATIONS OF THE INDIVIDUAL PERMIT CONDITIONS

33. The allegations appearing in Paragraphs 1 through 32, above, are realleged and incorporated herein by reference.

34. Section I.C.10 of the Individual Permit requires Defendant to conduct monthly monitoring of all discharges for pH and report the findings in the monthly Discharge Monitoring Reports. Defendant failed to report the pH findings for the sanitary waste discharge for the months of August and September of 2002; and January and March of 2004. Defendant also failed to report the pH findings for the domestic waste discharge for the months of August and September of 2002.

35. Section I.C.1, which incorporates Table 1, of the Individual Permit requires Defendant to conduct daily visual monitoring of the domestic waste discharge for floating solids, garbage or foam in the discharge and to report the findings in the monthly Discharge Monitoring Reports. Defendant failed to comply with this requirement for the month of March 2004.

36. Section I.C.1, which incorporates Table 1, of the Individual Permit prohibits the discharge of free oil in excess cement slurry effluent from the Osprey Platform. A discharge of free oil in the excess cement slurry effluent from the Osprey Platform occurred on September 12, 2003.

37. Section I.C.1, which incorporates Table 1, of the Individual Permit contains a monthly average concentration effluent limit for BOD content in sanitary waste discharges from

the Osprey Platform of 30 mg/l. The sanitary waste discharges from the Osprey Platform exceeded the BOD monthly average concentration effluent limit for the months of July, August, September, October, and December of 2002; January, February, March, April, and December of 2003; and February and March of 2004.

38. Section I.C.1, which incorporates Table 1, of the Individual Permit contains a monthly average mass effluent limit for BOD content in sanitary waste discharges from the Osprey Platform of 0.5 pounds per day (“lbs/day”). The sanitary waste discharges from the Osprey Platform exceeded the BOD monthly average mass effluent limit for the months of July, August, September, October and December of 2002; January, February, March, April, and December of 2003, and February of 2004.

39. Section I.C.1, which incorporates Table 1, of the Individual Permit contains a daily maximum concentration effluent limit for BOD content in sanitary waste discharges from the Osprey Platform of 60 mg/l. The sanitary waste discharges from the Osprey Platform exceeded the BOD daily maximum concentration effluent limit on July 3, 10, 16, and 24 of 2002; August 21, 2002; September 18 and 25 of 2002; October 2, 2002; January 23, 2003; April 2, 2003; December 19 and 31 of 2003; and February 27, 2004.

40. Section I.C.1, which incorporates Table 1, of the Individual Permit contains a daily maximum mass effluent limit for BOD content in sanitary waste discharges from the Osprey Platform of 1.0 lbs/day. The sanitary waste discharge from the Osprey Platform exceeded the BOD daily maximum mass effluent limit on July 3, 10, 16, and 24 of 2002; August 21, 2002; September 18 and 25 of 2002; October 2, 2002; January 23, 2003; April 2, 2003; and December 19 and 31 of 2003.

41. Section I.C.1, which incorporates Table 1, of the Individual Permit contains a monthly average concentration effluent limit for TSS content in sanitary waste discharges from the Osprey Platform of 30 mg/l. The sanitary waste discharge from the Osprey Platform exceeded the TSS monthly average concentration effluent limit for the months of July and September of 2002; June and December of 2003; and February 2004.

42. Section I.C.1, which incorporates Table 1, of the Individual Permit contains a monthly average mass effluent limit for TSS content in sanitary waste discharges from the Osprey Platform of 0.5 lbs/day. The sanitary waste discharge from the Osprey Platform exceeded the TSS monthly average mass effluent limit for the months of July and September of 2002; January and June of 2003; and February of 2004.

43. Section I.C.1, which incorporates Table 1, of the Individual Permit contains a daily maximum concentration effluent limit for TSS content in sanitary waste discharges from the Osprey Platform of 60 mg/l. The sanitary waste discharge from the Osprey Platform exceeded the TSS daily maximum concentration effluent limit on July 3, 10, 16, and 24 of 2002; September 18, 2002; May 22, 2003; June 5, 2003; and February 27, 2004.

44. Section I.C.1, which incorporates Table 1, of the Individual Permit contains a daily maximum mass effluent limit for TSS content in sanitary waste discharges from the Osprey Platform of 1.0 lbs/day. The sanitary waste discharge from the Osprey Platform exceeded the TSS daily maximum mass effluent limit on July 10, 16, and 24 of 2002; September 18, 2002; May 22, 2003; and June 5, 2003.

45. Section I.C.1, which incorporates Table 1, of the Individual Permit contains a daily maximum effluent limit for fecal coliform bacteria content in sanitary waste discharges from the Osprey Platform of 14 colonies/100 milliliters. The sanitary waste discharge from the Osprey Platform exceeded the fecal coliform bacteria daily maximum effluent limit on July 10, 2002; August 21 and 30 of 2002; September 4, 2002; October 30, 2002; November 6, 2002; December 4, 18, and 26 of 2002; January 2 and 8 of 2003; February 5 and 26 of 2003; March 5, 2003; April 2 and 22 of 2003; May 7, 14, and 22 of 2003; June 5 and 11 of 2003; July 9, 2003; August 6, 13, and 22 of 2003; December 19, 29, and 31 of 2003; and March 31, 2004.

46. Section I.C.1, which incorporates Table 1, of the Individual Permit contains a monthly average concentration effluent limit for TRC content in sanitary waste discharges from the Osprey Platform of 0.8 mg/l. The sanitary waste discharge from the Osprey Platform exceeded the TRC monthly average concentration effluent limit for the months of June,

September, and October of 2003; and January 2004.

47. Section I.C.1, which incorporates Table 1, of the Individual Permit contains a monthly average mass effluent limit for TRC content in sanitary waste discharges from the Osprey Platform of 0.01 lbs/day. The sanitary waste discharge from the Osprey Platform exceeded the TRC monthly average mass effluent limit for the months of June, September and October of 2003; and January 2004.

48. Section I.C.1, which incorporates Table 1, of the Individual Permit contains a daily maximum concentration effluent limit for TRC content in sanitary waste discharges from the Osprey Platform of 1.6 mg/l. The sanitary waste discharge from the Osprey Platform exceeded the TRC daily maximum concentration effluent limit on June 16 and 18 of 2003; September 29, 2003; October 8, 2003; and January 23, 2004.

49. Section I.C.1, which incorporates Table 1, of the Individual Permit contains a daily maximum mass effluent limit for TRC content in sanitary waste discharges from the Osprey Platform of 0.03 lbs/day. The sanitary waste discharge from the Osprey Platform exceeded the TRC daily maximum mass effluent limit on June 16 and 18, 2003; September 29, 2003; October 8, 2003; and January 23, 2004.

50. Section I.C.10 of the Individual Permit requires Defendant to maintain the pH range of all discharges from the Osprey Platform between 6.5 and 8.5 standard units. The sanitary waste discharge from the Osprey Platform exceeded the pH effluent limit on November 3, 2003; August 12, 2004; and January 1, 2, and 4 of 2005.

51. Each of the violations identified in Paragraphs 34 through 50, above, constituted a failure by Defendant to comply with the terms and conditions of the Individual Permit, in violation of Section 301 of the Act, 33 U.S.C. § 1311. Pursuant to Section 309(d) of the Act, 33 U.S.C. § 1319(d), the Federal Civil Penalties Inflation Adjustment Act, as amended, 28 U.S.C. § 2461 note, and 40 C.F.R. Part 19, Defendant is liable for a civil penalty not to exceed \$27,500 per day for each violation that occurred between July 1, 2002 and March 15, 2004 and for a civil penalty not to exceed \$32,500 per day for each violation that occurred after March 15, 2004.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff United States of America, prays that this Court:

A. Order Forest Oil to pay a civil penalty of up to \$27,500 per day for each of its violations of the Act that occurred between January 1, 2001 and March 15, 2004 and a civil penalty of up to \$32,500 per day for each of its violations of the Act that occurred after March 15, 2004.

B. Grant such other and further relief as may be just and proper and as the public interest and the equities of the case may require.

Dated: August 29, 2006

Respectfully submitted,

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